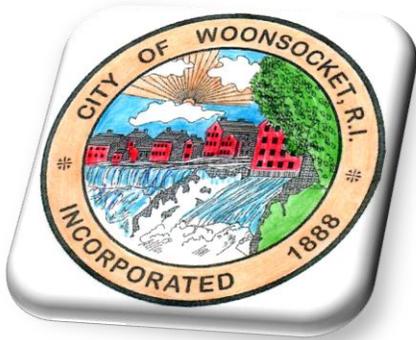


City of Woonsocket Rhode Island



Ordinance ESTABLISHING AN OMNIBUS TAX STABILIZATION PROGRAM FOR THE WOONSOCKET DOWNTOWN REVITALIZATION AREA

Legislative Findings: pursuant to the provisions of Rhode Island General Laws § 44-3-9, the City of Woonsocket, Rhode Island, is empowered and enabled to negotiate and approve tax stabilization agreements to be entered into by the City and the owners and/or developers of property in the community proposed for development, in whole or in part, which has undergone environmental remediation, is historically preserved, or is used for manufacturing, commercial, residential or mixed-use purposes to determine a stabilization amount of taxes to be paid on account of the property, notwithstanding the

valuation of the property or the rate of tax, provided, that after a public hearing, at least ten (10) days' notice of which shall be afforded in a newspaper having a general circulation in the City of Woonsocket, the City Council may grant such tax stabilization plan, having determined that:

a.) Granting the exemption or stabilization will inure to the benefit of the City of Woonsocket by reason of:

(i) The willingness of the manufacturing or commercial concerns to locate in the city, or of individuals to reside in such area; or

(ii) The willingness of a manufacturing firm to expand facilities with an increase in employment or the willingness of a commercial or manufacturing concern to retain or expand its facilities in the city and with substantially reduction of its workforce in the city; or

(iii) An improvement of the physical plant in the city which will result in long-term economic benefit to the city and state; or

(iv) An improvement which converts or makes available land or facilities that would otherwise be not developable or difficult to develop without substantial environmental remediation; or

(v) Providing substantial rehabilitation, renovation, or rejuvenation in an existing property which has deteriorated and is in need of investment.

b) Granting of the exemption or stabilization of taxes will inure to the benefit of the city by reason of the willingness of a manufacturing or commercial or residential firm or property owner to construct new or to replace, reconstruct, convert, expand, retain or remodel existing buildings, facilities, fixtures, machinery, or equipment resulting in an increase or maintenance in physical plant, residential housing or commercial building investment by the firm or property owner in the city.

(c) It may from time to time be in the best interest of the City of Woonsocket to enter into agreements that will exempt from payment, in whole or in part, real property utilized for manufacturing, commercial, industrial or residential purposes, or, in the alternative, to determine a stabilized amount of taxes to be paid on account of the ownership of property notwithstanding the assessed value of the property or the rate of tax in that entering such agreements shall serve to attract new business development to the City and encourage redevelopment, expansion or rehabilitation of existing properties.

**Now, therefore, be it Ordained
by the City Council
of the City of Woonsocket as
follows**

Section 1. Definitions:

As used in this Ordinance, the following terms shall have the meanings indicated:

“Applicant”: The property owner or lessee who initiates the property tax stabilization application process

“Base Year”: The tax year immediately prior to the year in which any agreement hereunder is in effect.

“Comprehensive Plan”: The Woonsocket Comprehensive Plan as it may be in effect from time to time.

“Offices”: Buildings or structures utilized primarily to house office space for rental to others or for the use of the owner of the building or structure.

“Program”: Tax stabilization program enacted by this Ordinance and any/all agreements entered into by the City of Woonsocket and taxpayers in accordance with the provisions of this Ordinance.

“Property Used for Commercial Purposes”: Any building or structures that are utilized for offices or commercial enterprises.

“Property Used for Manufacturing Purposes”: Any buildings or structures that are utilized primarily and essentially for the production, assembly or fabrication of materials for sales to others.

“Property Used for Residential Purposes”: Any buildings or structures that are utilized primarily and essentially for living purposes.

“Property Used for Mixed-Use”: Any buildings or structures that are utilized for a combination of uses.

“Substantial Redevelopment, Rehabilitation, or Expansion”: That any redevelopment, rehabilitation, or expansion of existing buildings or structures must increase the assessed value of any such building or structure a minimum of fifty percent (50%) above the assessed value of such building or structure in the base year, but no less than \$100,000.

In the case of a new business development, the new construction shall have a minimum assessed value of one million dollars (\$1,000,000.00) excluding the value of land and infrastructure improvements.

Section 2. Objectives

The goals and objectives of the City of Woonsocket in establishing this Program are:

- A. The primary objective of the Program is to expand the property tax base of the City especially through the construction, rehabilitation, revitalization or restoration of properties located in the Woonsocket Downtown Overlay District as established and defined by the City Council in Ordinance Chapter 7857 which is dated December 7, 2015.
- B. The Program seeks to encourage expansion, redevelopment, and/or rehabilitation of existing manufacturing, industrial, commercial, residential or mixed-use buildings or structures as well as the new development of manufacturing, industrial, commercial, residential or mixed use buildings or structures on appropriately zoned land within the Woonsocket Downtown Overlay District.
- C. The Program seeks to encourage those uses that maximize the tax value of properties, the economic value of properties and the visual and aesthetic quality of the City’s industrial, commercial and residential areas.

D. The Program seeks to encourage significant rehabilitation, expansion of existing buildings or structures, especially in the City's Downtown District, and the new development of industrial and commercial properties.

E. The Program shall provide increasing, graduated incentives to promote greater levels of rehabilitation, redevelopment, expansion and/or new construction.

F. The Program seeks to promote stability of ownership of the industrial, commercial, residential, or mixed-use properties within the City.

G. The Program seeks to attract and/or retain responsible corporate citizens.

H. The Program seeks to attract investment and reinvestment in existing industrial, commercial, residential, and mixed-use properties in the City.

I. The Program seeks to provide incentives, not rewards, to encourage and promote real estate investment and development.

J. The Program seeks to encourage projects that are consistent with the City's Comprehensive Plan's vision, goals, and objectives.

K. The Program shall be equally and fairly applied to any and all eligible proposed projects.

Section 3. Eligible property:

The following properties located in the Woonsocket Downtown Area are eligible for the Woonsocket Tax Stabilization Program:

A. All legally permitted commercial, industrial, residential, and mixed-use facilities within the below-named area that meet the qualifications established in this ordinance are eligible to participate.

Assessor's Plat 13; lots 94, 95, 96, 97, 98, 99, 100, 102, 104, 171, 172, 191, 268, 289, 294 & 295.

Assessor's Plat 14; lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 18, 19, 20, 21, 25, 26, 27, 43, 44, 45, 46, 47, 50, 51, 52, 53, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 67, 68, 69, 71, 72, 73, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 90, 91, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 110, 111, 112, 113, 114, 115, 116, 118, 119, 120, 121, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 138, 139, 140, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 154, 155, 156, 157, 158, 160, 161, 163, 165, 166, 169, 170, 171, 172, 174, 175, 176, 177, 178, 180, 184, 185,

186, 205, 206, 207, 208, 211, 212, 214, 215, 216, 217, 218, 220, 221, 223, 224, 225, 227, 228, 229, 230, 253, 259, 261, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 284, 286, 288, 289, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 308, 315, 316, 321, 326, 329, 330, 331, 335, 336, 341, 342, 345, 353, 354, 355, 362, 363, 366, 367, 368, 369, 370, 371, 372, 375, 376, 377, 380, 382, 383, 387, 388, 390, 394, 395, 397, 398, 400, 401, 402, 403, 404, 405, 406, 407, 412, 413, 414, 415, 416, 418, 420, 421, 422, 423, 425, 427, 428, 430, 432.

Assessor's Plat 15, lots 13, 15, 16, 61, 201, 216, 221, 222, 224, 231, 235 & 236.

B. Any applicant business and/or property owner must be current on all tax payments to the City of Woonsocket as of the time of application, and at the time the property tax stabilization plan is granted. Any property owner who applies for property tax credits on behalf of a business operating in the owner's facility shall be current on all real estate tax payments to the City when the owner applies for the benefits, and when the stabilization is granted.

C. As a part of a Preliminary Application, (see "Exhibit A") prior to authorizing any property tax stabilization for a

property, the Tax Collector's office shall be required to issue a written certification indicating the applicant and/or property owner is current on all appropriate tax and utility payments to the City of Woonsocket. Any payments that are in arrears on the property shall render the applicant ineligible for the incentives offered through this ordinance. A copy of this certification shall be included in the application for the stabilization of property taxes on the property.

D. The tax exemption or stabilization shall not result in any reduction in the City's tax levy in the base year for any eligible property, but only to the increased value due to expansion, rehabilitation, renovation or other acceptable enhancement, not to include tangible personal property or excise tax.

E. The property that is the subject of the application must conform with all City and state zoning laws and building and fire codes prior to the authorization of any property tax stabilization for the applicant. The Building Official shall issue a written certification that the property does so conform if appropriate. A copy of this certification shall be included in the application for the stabilization of property taxes

on the property; or, should conformance with such codes and regulations come about as a result of the rehabilitation or construction work to be performed, compliance shall be necessary before any tax stabilization program can become effective on such property, unless specifically exempted by resolution of the City Council.

F. All new or expanding businesses, including any and all subsidiaries, affiliates, subdivisions, parent or other entities of said businesses with ten percent (10%) or more common ownership unless otherwise approved by the City Council, must provide proof that all municipal taxes, fees and other assessments are paid and current.

G. Any default in payment of taxes by a participating business for any three (3) month period during a consecutive twelve (12) month period shall result in the suspension of all tax incentives, including a tax stabilization agreement, to said business or property owner, and further, said business or property owner shall reimburse the City the tax savings for said period of default unless the deficiency shall have been remedied within forty-five (45) days. Reinstatement of eligibility for tax incentive or tax stabilization plan benefits shall be subject to City Council approval.

Any failure of a participating business to pay any tax or fee due to the City on any property situated in the City, owned by said business, including any and all subsidiaries, affiliates, subdivisions, parents or other entities with ten percent (10%) or more common ownership, shall result in termination of all tax incentives to said business, if no satisfaction is arrived at within a reasonable timeframe..

H. Notice of tax delinquency and/or failure to comply with City and state zoning laws and building and fire codes shall be sent to the property owned by registered mail, return receipt, not more that 30 days after the tax delinquency and/or failure to comply with City and state zoning laws and building and fire codes by the Director of Finance, or the Building Official, respectively.

I. The Director of Planning & Development, the Tax Assessor, the Building Official and the Director of Administration (if any) and the Finance Director shall promulgate with mayoral approval such rules and regulations and provide suitable documents necessary to effect the purpose of this chapter,

Section 4. Program Parameters

The following parameters are established as the means of implementation of the City's goals and objectives established in this Ordinance:

- A. Any tax stabilization arrangement shall not result in the reduction of the City's tax levy relative to the base year assessment. The incentives shall apply only to expansion, redevelopment, or rehabilitation and shall not affect the existing building assessment unless specifically approved by the City Council after a public hearing duly advertised in accordance with this ordinance and state law.
- B. The Program shall be limited to buildings and not land or personal property.
- C. The greater the increase in value under the Program, the greater and longer the effects of the tax incentive.
- D. Failure to comply with local ordinances or failure to pay property taxes as established will result in the revocation of the tax incentives granted under an agreement.
- E. Eligible projects for participation in the Program must be identified prior to the commencement of development, redevelopment, and/or rehabilitation or of new construction.

- F. A proposed project must be determined to be in compliance with the relevant provisions of the Woonsocket Comprehensive Plan by the City Planner.
- G. The Program is designed as an omnibus program rather than drafting individual tax stabilization ordinances on a project-by-project basis while recognizing certain elements of any agreement will be project-specific and will vary in details from omnibus provisions.

Section 5. Procedures for Enact- ment of Tax Stabilization Agreement

- A. Any proposed project that qualifies for participation in the Tax Stabilization Program under the provisions of this ordinance shall subject to and upon the following. The specific terms and conditions of any agreement between the applicant and the City under the provisions of this ordinance shall be negotiated by the Mayor with the advice and recommendation of the Director of Finance and the Director of Planning & Development. Such agreement shall be based upon an application substantially in the form of Exhibit "C" attached hereto and made a part hereof by reference; and shall be in force and effect only after execution of an agreement by

and between the Owner and the City substantially in the form of Exhibit “C” attached hereto and made a part hereof by reference.

B. The proposed agreement shall be for a period not exceeding twelve (12) years, but may be for a greater period subject to negotiations and City Council approval, as necessary and appropriate, based essentially upon the following:

Tax Year	Tax Payment
Year 1	Amount due on pre-rehab assessment
Year 2	Amount due on pre-rehab assessment
Year 3	Amount due on pre-rehab assessment
Year 4	Amount due on pre-rehab assessment plus 11% of improvements value
Year 5	Amount due on pre-rehab assessment plus 22% of improvements value
Year 6	Amount due on pre-rehab assessment plus 33% of improvements value

Year 7	Amount due on pre-rehab assessment plus 44% of improvements value
Year 8	Amount due on pre-rehab assessment plus 55% of improvements value
Year 9	Amount due on pre-rehab assessment plus 66% of improvements value
Year 10	Amount due on pre-rehab assessment plus 77% of improvements value
Year 11	Amount due on pre-rehab assessment plus 88% of improvements value
Year 12	Amount due on pre-rehab assessment plus 100% of improvements value

Any tentative agreement negotiated and reached by the project proponent and the Mayor on behalf of the City shall be outlined in an award letter (substantially in the form of Exhibit C hereto) shall be filed with the Office of the City Clerk at least ten (10) business days prior

to the execution of any Agreement Authorizing a Payment-in-Lieu-of-Taxes as envisioned in “Exhibit D hereto.) . Such proposed award letter shall include a Fiscal Impact Statement outlining and detailing any adverse and/or beneficial fiscal impacts on the City of Woonsocket. At such time the City Clerk shall forward a copy of the award letter and fiscal impact statement to the City Council members by electronic mail or first class mail. The Director of Planning and Development shall prepare and submit an annual report of all properties in the program to the City Clerk for distribution to City Council members by June 1st of each year.

C. In order to approve any tentative agreement under this ordinance, and after such public hearing, the City shall determine:

1. The approval of the agreement (for tax exemption or tax stabilization of taxes) will inure to the benefit of the City of Woonsocket by reason of the willingness of the property owner and/or developer to locate in the City; or the willingness of the property owner and/or developer to expand its facilities with an increase in employment; or the willingness of the property owner and/or developer to retain or expand its facilities in the City and not significantly reduce its workforce in the City; or an improvement, rehabilitation,

or renovation of property which increases substantially in value or impact of a manufacturing, commercial, residential, historic, environmentally sensitive or mixed-use nature to the benefit of the City or significant element thereof.

2. The approval of the agreement (for exemption or stabilization of taxes) will inure to the benefit of the City by reason of the willingness of a manufacturing, commercial, residential, historic or mixed-use property owner to build new, or to replace, reconstruct, convert, rehabilitation or renovate with new or enhanced facilities which serves such purposes to the benefit of the City as a whole or the particular neighborhood or district in which is located.

D. Tax benefits for eligible properties shall be transferrable to a new owner, but the duration of the tax stabilization consideration period shall not be extended (unless otherwise approved by the City Council by resolution). In the event that the tax stabilized property becomes exempt from real estate taxes during the term of tax stabilization through conveyance, or otherwise, to a real estate tax exempt entity, the tax stabilization agreement shall be void *ad initio* with owners of the tax

stabilized properties being liable for full taxes retroactively to the execution of the tax stabilization agreement.

- E. Except as provided for in this ordinance, the payment of taxes under the agreement (either as exempted or which is subject to a stabilized amount of taxes) shall not, during the period of the agreement, be further liable to taxation by the City so long as the property is utilized for the purpose for which the agreement was entered into in the first instance.
- F. Personal or tangible property shall not be subject to a tax exemption or stabilization pursuant to this ordinance.

Section 6. Correction of Code Violations & Deficiencies

The Building Official shall review any application for tax stabilization assistance to determine whether any violations of the provisions of the building code of the City exists with respect to the subject property of the applicant and any other property in the City owned by the applicant. If no violations exist, he or she shall certify the fact to the City Assessor within thirty (30) days. If violations do exist, within thirty (30) days, he or she shall forward a statement to the City Assessor and the applicant specifying the nature and extent of the violations. No exemption granted hereunder shall be effective

unless and until any and all violations have been cured. Within the same thirty (30) day period, the Building Official shall issue a letter to the City Assessor (with a copy to the applicant) stating whether the project will involve the substantial rehabilitation of the eligible property, and whether the proposed construction has received the necessary approvals from the Woonsocket Planning Board, the Design Review Commission and/or the Zoning Board of Review, as applicable. The applicant shall have sixty (60) days from its receipt of written notice (or copy of notice to the City Assessor) to cure outstanding violations or other matters which serve as a valid basis for the Building Official not approving the subject application. Failure of the applicant to effectuate a cure within said sixty (60) day period shall result in the City Assessor removing the subject application from the City Assessor's list of incomplete applications. Nothing shall prohibit the subject property owner from reapplying for tax stabilization or exemption consideration.

Section 7. Exclusion for Qualification.

Nothing in this Ordinance shall be deemed to permit the exemption or stabilization of taxes as herein provided for any manufacturing or commercial concern relocating from one city or town within the State of Rhode Island to another city or town within the State of Rhode Island unless such action constitutes a substantial increase in the activities

of such business to the overall benefit of the State.

Section 8. Revocation.

The City Council shall terminate an exemption granted hereunder prior to the expiration thereof in the event of fraud or misrepresentation and non-compliance by any applicant regarding and statements or representations contained in the application.

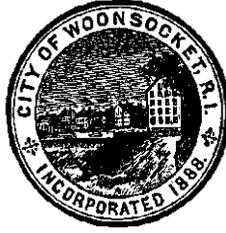
Section 9. Prohibition on Dual Benefit.

No property owner, corporation, or other business entity shall be eligible for consideration or assistance under this Tax Stabilization Program when such entity is presently the subject or may become the beneficiary of some other form of tax reduction incentive

program or payment-in-lieu of taxes agreement simultaneously offered by the City of Woonsocket or any other local, state or federal program unless specifically exempted from this prohibition by resolution of the City Council.

Section 10. Effective Date.

This Ordinance shall take effect immediately upon its passage by the City Council as provided in Chapter III, Section 9 of the Woonsocket Home Rule Charter and all Ordinances or parts of Ordinances inconsistent herewith are hereby repealed.



CITY OF WOONSOCKET, RHODE ISLAND
City Hall- 169 Main Street- Woonsocket, Rhode Island 02895-4379
Telephone # 401-762-6400 – Facsimile # 401-766-9312

**PRELIMINARY APPLICATION FOR TAX ABATEMENT PROGRAM
IN THE WOONSOCKET DOWNTOWN REVITALIZATION AREA**

The undersigned hereby requests a determination of preliminary eligibility under the provisions of the City of Woonsocket’s Omnibus Tax Stabilization Program For the Woonsocket Downtown Revitalization Area

Property Address: _____

Woonsocket, Rhode Island 02895

Woonsocket Assessor’s Plat # _____ Assessor’s Lot(s) # _____

Zoning District: _____ Residential Units: _____ Commercial Units: _____

- I purchased the property on _____ [Attach a copy of the deed].
- I currently have the property under option. [Attach a copy of the Purchase/Sales Agreement]
- I currently do not own the property which is the subject of this application.

Current Assessed Value of Property: \$ _____

Applicant(s)

Name _____

Street Address: _____

City _____ State _____ Zip Code _____

Telephone No. _____ Cell Phone Number: _____

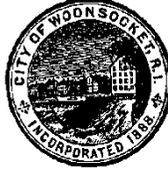
Fax Number: _____ Email Address: _____

Signature _____

Office Use Only:

This application under the *Woonsocket Downtown Tax Stabilization Program* was received on: _____, 201____

_____	_____	_____	_____
Date	Staff Signature	Title	



**City of Woonsocket, Rhode Island
DEPARTMENT OF PLANNING & DEVELOPMENT
Office of the Director
City Hall • 169 Main Street
Woonsocket, Rhode Island 02895-4379**

Date _____

Name: _____

Address: _____

City/State/Zip Code _____

*Subject: Property at _____, Woonsocket, Rhode Island
Statement of Preliminary Eligibility
• Woonsocket Downtown Tax Stabilization Program*

Dear

Please be advised that this Office has received your application under the City of Woonsocket, Rhode Island's *Woonsocket Downtown Tax Stabilization Program* for property at _____, Woonsocket, Rhode Island.

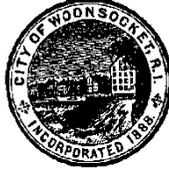
Based upon the information and documentation submitted, it appears that the subject property qualified under the provisions and that after an examination of the conditions at the property, and completion of the corrective measures to be identified by the Building Official and Fire Marshal, as well as proposed improvements (if applicable) you will be awarded the appropriate tax abatements applicable to this project under the provisions of the Program.

If you have any questions regarding this or any other matter, or, if you require any additional information, please do not hesitate to contact this office at any time.

Sincerely

Director of Planning & Development

cc: _____, City Assessor
_____, Building Official/Zoning Officer



**City of Woonsocket, Rhode Island
DEPARTMENT OF PLANNING & DEVELOPMENT
Office of the Director
City Hall • 169 Main Street
Woonsocket, Rhode Island 02895-4379**

Date: _____

Name: _____

Address: _____

City/State/Zip Code: _____

Subject: *Final Tax Abatement Benefit Determination*
Property at _____, Woonsocket, Rhode Island
Woonsocket Downtown Tax Stabilization Program

Dear

Please be advised that this Office has received your completed rehabilitation/renovation project at the above-referenced address under the City of Woonsocket, Rhode Island's *Woonsocket Downtown Tax Stabilization Program*. Based upon the collection and review of all documentation, including building permits, contracts for work completed and submission of a Certificate of Occupancy & Use, the following determination has been calculated.

- Value of Work Permits Applied for and Issued:\$ _____ .00
[Attach copies of building permits]
- Value of Documented Work not requiring a Building Permit:....\$ _____ .00
[Attached copies of contracts, purchase orders, receipts]
- TOTAL VALUE OF WORK COMPLETED ON THE PROPERTY:
\$ _____ .00

Tax Abatement Calculation for Owner-Occupants: (Estimated)

Year 1: The amount due to the City of Woonsocket will be \$ _____
and the valuation of improvements beyond the base year shall be 0%

Year 2: The amount due to the City of Woonsocket will be \$ _____
and the valuation of improvements beyond the base year shall be 0%.

Year 3: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 0%.

Year 4: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 11%.

Year 5: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 22%.

Year 6: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 33%.

Year 7: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 44%.

Year 8: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 55%.

Year 9: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 66%.

Year 10: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 77%.

Year 11: The amount due to the City of Woonsocket will be \$ _____ and the valuation of improvements beyond the base year shall be 88%.

Year 12: The amount due to the City of Woonsocket will be based upon 100% of the assessed value of the property at the tax rate then applicable.

Based upon the information and documentation submitted it appears that the subject property qualified under the provisions and that after an examination of the conditions at the property, and completion of the corrective measures to be identified by the Building Official and Fire Marshal (if applicable) you will be awarded the appropriate tax abatements applicable to this project under the provisions of the Program.

As required by Ordinance, a copy of this correspondence is being placed on file in the Office of the City Clerk for public information purposes, together with a fiscal impact statement indicating the financial affects on this agreement on the City and the property owner. Implementation of the provisions of this award are subject to the execution by the City and

the Owner. Finalization of such an agreement cannot be undertaken before the expiration of ten (10) business days, which is _____, 201__.

If you have any questions regarding this or any other matter, or, if you require any additional information, please do not hesitate to contact this office at any time.

Sincerely

Director of Planning & Development

xc: _____, City Assessor
_____, Building Official/Zoning Officer

Exhibit D
**Agreement Authorizing a Payment-in-lieu-of-Taxes
by and between the
CITY OF WOONSOCKET, RHODE ISLAND
And**

**[Pursuant the Tax Stabilization Program
For the Woonsocket Downtown Revitalization Area**

This Payment-in-lieu-of-Taxes (“PILOT”) AGREEMENT made and entered into as of this ____ of _____, 20__ by and among the City of Woonsocket, Rhode Island, a municipal corporation organized and existing under the laws of the State of Rhode Island (the “City”) and the _____ a business established under the Laws of the State of _____, (the “Owner”)is intended to establish payments in lieu of taxes to be paid to the City by the Owner during the term hereof in accordance with Rhode Island General Laws (“RIGL”) § 44-3-9 as amended; and

Whereas; Owner has determined to purchase, and has purchased certain real estate located at Woonsocket Assessor’s Plat(s) ____, lot(s) ____ (...Address...) for the purposes permitted under the Zoning Ordinance of the City of Woonsocket, Rhode Island. Such properties, containing a structure(s) shall be renovated and improved and developed thereon; and

Whereas; The property will be owned by the Owner to other subsidiary corporations and/or business entities engaged in the production, fabrication and manufacture of products sold to third parties in the retail sale of products which are consumer oriented; and

Whereas; it is contemplated that the Owner will hold legal title to the property; and

Whereas; representatives of the City and the Owner desire to fix and stabilize the level of payment in lieu of taxes to be made with respect to the property; and

Whereas; this PILOT Agreement is entered into pursuant to the provisions of Chapter 44-3 of the RIGL, including without limitations §42-3-9 thereof; and

Whereas; pursuant to RIGL §43-3 the Owner agrees that it will make certain payments in lieu of taxes to the City with respect to the Project; and

Whereas; the City Council has found and determined that:

- (a) The PILOT Agreement is in the public interest as it induces the Owner to locate its facility in the City and the project will pay a reasonable and responsible payment-in-lieu-of-taxes as well as substantially contribute to the revitalization of the general commercial area as part of the City's economic development efforts; and
- (b) Chapter 44-3-9 of the Rhode Island General Laws provides that the City and the Owner may make an agreement with respect to all payments in lieu of real estate taxes with respect to the project; and,
- (c) The payments made pursuant to the PILOT Agreement are fair and equitable and acceptable to the City and the Owner; and

Whereas The City, in accordance with Chapter 44-3-9 of the Rhode Island General Laws, is entitled to receive payments in lieu of taxes from the Owner; and

Whereas; this Agreement contains all the terms and conditions of such agreement relating to payment in lieu of taxes to be made with respect to Woonsocket Assessor's Plat(s)----, lot(s) ----.

Now, therefore, in consideration of the mutual agreements, understandings and obligations set forth herein, the City of Woonsocket and the Owner agree as follows:

Section 1. Definitions. The following terms shall have the meanings set forth herein.

- (a) “Owner” shall mean the owner of property, as established under the Laws of the State of Rhode Island & Providence Plantations.
- (b) “Existing Real Estate Improvements” means any and all structures, buildings and other improvements currently located on Woonsocket Assessor’s Plat(s) ____, lot(s) ____.
- (c) “Personal Property” means any and all tangible personal property, new or existing, including, but not limited to, all vehicles, furniture, fixtures, equipment, furnishings, computer hardware and software and information systems and other personal property, now or hereafter located at the site.
- (d) “Property Owner” means the Owner and their successors.
- (e) “Taxable Property” means, collectively, the real estate, real property improvements, and the personal property, which together constitute the property.
- (f) “Real Property Improvements” means any and all structures, buildings and other improvements existing on the property at the time of the execution of the Agreement and during the term of the Agreement.
- (g) “Pilot Payment” means the total amount to be paid by Owner to the City of Woonsocket in lieu of real estate taxes ordinarily assessed based upon any present or future evaluation undertaken by the Tax Assessor of the City of Woonsocket and/or any agency, corporation, or agent engaged by the City for such purposes.

- (h) “Commencement date” means the later date either of the transfer of the property to the Owner or of the approval of the Agreement by the Woonsocket City Council.
- (i) “Termination Date” means the date upon which the period of twelve (12) years shall terminate (e.g., if the commencement date begins on January 1, 20__, the termination date shall be December 31, 20__.
- (j) “Term”. The term of this PILOT Agreement shall be for a period commencing on the Commencement Date and terminating on the Termination Date.

Section 2. Payment of Taxes. Pursuant to the provisions of RIGL §44-3-9 Owner hereby agrees that during the term of this Pilot Agreement Owner, shall make Pilot Payments as prescribed herein to the City in lieu of real property tax assessment of every kind and nature which would now or hereafter otherwise be levied upon such real estate, excluding taxes on personal property, equipment, charges for water or sewer, or other municipal services.

Section 3. Owner shall grant a first lien on the real property, which lien shall be of the same priority and entitle the City to the same foreclosure remedy as the lien and foreclosure remedy provided under applicable laws and ordinances with respect to real property and personal taxes. The City agrees to provide the Owner with the same notice that it provides other taxpayers prior to exercising any foreclosure remedy available under the Pilot Agreement.

Section 4. It is understood by the parties that the Pilot Payments made hereunder are deemed by the City to be payment in lieu of tax payments and the Owner shall be entitled to all the rights and privileges of a taxpayer in the City, provided however, Owner shall not be afforded the

right to challenge any assessment made pursuant to this Pilot Agreement and the remedies of the Owner are specifically limited to actions for breach of this Pilot Agreement in accordance with the provisions relating to dispute resolutions hereinafter. It is further understood that the City's sole and exclusive recourse to the Owner for its payments hereunder is limited to the city's first lien on the taxable properties.

Section 5. Payment Schedule: Owner shall be obliged to make the payments-in-lieu of taxes according to the following schedule:

Year 1	\$
Year 2	\$
Year 3	\$
Year 4	\$
Year 5	\$
Year 6	\$
Year 7	\$
Year 8	\$
Year 9	\$
Year 10	\$
Year 11	\$
Year 12	\$

Payments shall be made in equal quarterly installments according to the normal collection schedule of the City. After the twelfth (12th) year the total assessment due upon the real estate property will be due and payable.

Section 6. Satisfaction of Obligations. The City agrees that so long as the Pilot Payments are made by the Owner in accordance with the terms of this Pilot Agreement, the City shall, during the term of this Pilot Agreement, accept said payment in full satisfaction of the obligations of the Owner as to payment of any and all taxes on the real property to the City which would otherwise be levied upon or with respect to the real property at Woonsocket Assessor's Plat(s)____, lot(s) ____, including improvements, structures and facilities, but excluding personal property taxes which may now exist.

Section 7. Limitations. New structures constructed on the site may be covered by this Pilot Agreement. Improvements to the existing structure located on the site shall be covered by this Agreement.

Section 8. Agreement Transferrable: This PILOT Agreement is transferrable and shall not terminate upon the sale of the property or the dissolution of the Owner, provided that the new owner of the subject property shall otherwise be subject to normal real estate taxation and not the subject of a separate PILOT or tax-exemption provided by law or ordinance.

Section 9. Assessment after Termination Date: Commencing on the Termination Date of this Pilot Agreement, the Owner's obligation to make payments of taxes or payments in lieu of taxes shall be based on the then current assessed value as of the Termination Date of all properties owned by the Owner or leased by the Owner determined by the Tax Assessor for the City in the same manner as the assessed value of other real and personal property is from time to time determined.

Section 10. Dispute Resolutions:

The Owner and the City agree that if the Owner or any other owner should dispute the annual calculation of the Pilot Payment, either party may appeal to the Tax Board of Assessment Review.

Section 11. Entire Agreement: This Pilot Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. The parties hereto expressly acknowledge and agree that this Pilot Agreement has been entered into for the benefit of the Owner and shall be enforceable by the Owner against the parties hereto. This Pilot Agreement may only be modified or amended in writing and with the consent of the parties hereto in accordance with RIGL 44-3-9

Section 11. Notice: All notices, certificates, requests, demands, consents, approvals, and other communications which may or are required to be given hereunder (for the purpose of this section, collectively called "Notices") shall be in writing and shall be sent by registered or certified mail, postage prepaid, return receipt requested and received or overnight delivery by a registered public or private carrier, or by facsimile, in with case as evidenced by a receipt or other evidence of delivery showing the date, time, and, for a facsimile, telephone number or receipt and address to the party to receive such Notice as set forth below.

If to: City of Woonsocket, Rhode Island
Woonsocket City Hall • 169 Main Street
169 Main Street
Woonsocket, Rhode Island 02895-4379
Attention: Mayor
Fax Number: (401) 765-4569

Copy to: City Solicitor
City of Woonsocket, Rhode Island
169 Main Street
Woonsocket, Rhode Island 02895-4379

If to: Name of Owner: _____
D/B/A: _____
Address: _____
City/State/Zip Code: _____
Telephone Number : _____ Cell phone: _____
Fax Number: _____ . Email: _____

State of Rhode Island & Providence Plantations
COUNTY OF PROVIDENCE

In WOONSOCKET, on this _____ day of _____, 20____, before me appeared _____, to me personally known, who being by me duly sworn, acknowledges that he/she is the Owner of the property subject to this Agreement and that such agreement was signed by him/her and he/she acknowledged that said Agreement was his/her free act and deed in his/her capacity as said Owner

Notary Public